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Ontario ~~Ministry~~ Colleges and
Universities ~~&~~ Statements and speeches

NOTES FOR TALK BY
THE HONOURABLE HARRY C. PARROTT

TO

McMASTER ECONOMICS SOCIETY

JANUARY 19, 1976.



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YOUR FIGHT AGAINST INFLATION

BY NOW YOU WILL HAVE HEARD THAT THE ONTARIO GOVERNMENT IS DETERMINED TO LIMIT THE GROWTH IN ITS RATE OF SPENDING TO 10% IN THE NEW FISCAL YEAR. I AM ONE OF A GROUP OF CABINET MINISTERS PROMOTING THE PROVINCE-WIDE ANTI-INFLATION CRUSADE. THE HONOURABLE DARCY McKEOUGH, ONTARIO'S TREASURER, WAS AMONG THE FIRST WAVE OF ANTI-INFLATION EVANGELISTS BECAUSE OF HIS RESPONSIBILITY FOR DETERMINING BUDGETS, AND THE MINISTER OF EDUCATION, THE HONOURABLE TOM WELLS BECAUSE OF THE DIRECT EFFECT THAT THE OPERATION OF THE MINISTRY OF EDUCATION HAS ON LOCAL PROPERTY TAXES.

10% limit to
growth in spending.

MORE....

MY MINISTRY, THE MINISTRY OF COLLEGES AND UNIVERSITIES, HAS BEEN ALLOCATED ONE OF THE HIGHEST RATES OF BUDGET INCREASE FOR 1976-77. ONE OF THE CONSIDERATIONS FOR THIS INCREASE IS THAT ENROLMENTS ARE STILL INCREASING AND WILL, I BELIEVE, CONTINUE TO INCREASE UNTIL THE 1980s.

Enrolment still increasing.

RECENTLY I HAD THE PLEASURE OF BEING ABLE TO ANNOUNCE A 14.4 PERCENT INCREASE IN THE ONTARIO GOVERNMENT'S SUPPORT FOR THE OPERATION OF OUR 22 COMMUNITY COLLEGES OF APPLIED ARTS AND TECHNOLOGY, OUR 15 PROVINCIALY ASSISTED UNIVERSITIES, RYERSON POLYTECHNICAL INSTITUTE, THE ONTARIO COLLEGE OF ART, THE BAR ADMISSION COURSE, AND THE ONTARIO INSTITUTE FOR STUDIES IN EDUCATION.

14.4% increase in operating grants.

PROVINCIAL OPERATING SUPPORT FOR THE COLLEGES WILL BE \$230 MILLION IN 1976-77. UNIVERSITIES AND OTHER PROVINCIALY ASSISTED POST-SECONDARY EDUCATION INSTITUTIONS WILL RECEIVE \$651 MILLION IN OPERATING FUNDS WHICH, OF COURSE, INCLUDE SALARIES.

1976-77 operating support \$881 million.

INFLATION CAN BE BRUTAL, HOWEVER. ADD THE EFFECT OF INCREASED ENROLMENT TO AN INFLATION RATE THAT IS RUNNING AROUND 9.5 PERCENT AND YOU'LL SEE THAT OUR COLLEGES AND UNIVERSITIES WON'T HAVE SUFFICIENT FUNDS TO BE CARELESS IN THEIR OPERATIONS.

9.5 percent inflation.

MORE....

Freeze on
building.

SINCE NOVEMBER, 1972, THERE HAS BEEN A NEAR-MORATORIUM ON CAPITAL SPENDING IMPOSED BY MY MINISTRY. THIS NEAR-FREEZE ON NEW BUILDING REQUIRES SOME GETTING USED TO, NOT ONLY BY UNIVERSITY AND COLLEGE MANAGEMENT, BUT ALSO BY THE FACULTY AND STUDENTS ALIKE. CLASSROOMS HAVE BECOME MORE CROWDED AND MORE IMAGINATIVE SCHEDULING IS NOW REQUIRED.

Good system
but costly.

ADMITTEDLY, AT SOME CONSIDERABLE COST TO THE TAXPAYER, ONTARIO HAS BUILT A GOOD SYSTEM OF POST-SECONDARY EDUCATION THAT HAS BECOME HIGHLY ACCESSIBLE TO THE CITIZENS OF ONTARIO, INCLUDING YOUNGSTERS LIKE ME (!), AND THE MIDDLE-AGED AND OLDER PEOPLE AS WELL.

LET ME TELL YOU ABOUT ONE PARTICULAR GROUP OF YOUNG PEOPLE THAT OUR STATISTICIANS HAVE KEPT TABS ON, THE YOUNG PEOPLE OF ONTARIO AGED 18 TO 24 YEARS. IN 1967-68, WHEN OUR COLLEGE SYSTEM WAS JUST GETTING LAUNCHED, WE HAD A FULL- AND PART-TIME ENROLMENT EQUIVALENT TO 100,000 (99,900) FULL-TIME STUDENTS. ONTARIO'S POPULATION IN THIS AGE GROUP NUMBERED 820,000 (821,400). IN ALL OF THE FOLLOWING FIGURES, PART-TIME STUDENTS ARE COUNTED NOT IN TOTAL BUT AS A FRACTION AS THEIR PARTICIPATION RELATES TO FULL-TIME STUDIES.

MORE....

"Participation"
rate 12.2% for
18-24 group,
1967-68

12.2% OF THE PROVINCE'S 18-TO-24 POPULATION WAS ACTUALLY ENROLLED IN POST-SECONDARY EDUCATION HERE IN ONTARIO. THE REAL PARTICIPATION RATE, IF WE ADD IN THOSE PEOPLE AGED 18 TO 24 WHO HAD ALREADY GRADUATED, WOULD BE CONSIDERABLY HIGHER. THE ENROLMENT PERCENTAGES ROSE TO 19 (18.7) PERCENT IN 1970-71, AND TO 23 PERCENT IN 1972-73.

"Participation"
rate rises to
26.8% for 18-24
group, 1974-75.

BY 1974-75 THE SO-CALLED PARTICIPATION RATE FOR THIS AGE GROUP REACHED 27 (26.8) PERCENT AND WAS STILL CLIMBING! FULL-TIME EQUIVALENT ENROLMENT OF ALL AGES IN 1975-76 IS 288,000, THE ACTUAL NUMBER OF PARTICIPANTS BY HEAD COUNT, OF COURSE, BEING CONSIDERABLY HIGHER BECAUSE OF FACTORS THAT I OUTLINED EARLIER.

Let's not
compromise
long-term
goals!

IN TIMES OF CRISIS WE MUST BE CAREFUL NOT TO COMPROMISE "EDUCATION" FOR THE FUTURE BECAUSE OF OUR SHORT-RANGE NEEDS. SUPPORT FOR EDUCATION IS AND MUST BE MUCH MORE PRODUCTIVE THAN "BAND-AID" MONEY SPENT AFTER THE FACT ON CORRECTIVE MEASURES.

PARTICIPATION RATES IN OTHER AGE GROUPS ARE EQUALLY INTERESTING NOW THAT MORE AND MORE PEOPLE HAVE BECOME AWARE OF THE INCREASING NEED TO UPDATE SKILLS OR ACQUIRE NEW ONES AS CERTAIN TYPES OF

MORE....

Education not a
job ticket; not
a screening
mechanism.

KNOWLEDGE CONTINUE TO BECOME DATED, BUT AT THE
SAME TIME WE MUST NOT FORGET THAT EDUCATION IS VALUABLE
FOR ITS OWN SAKE AND SHOULD NOT ALWAYS BE REGARDED
BY STUDENTS AS A SORT OF HIGH-CLASS JOB TICKET OR
BY EMPLOYERS AS A CHEAP, TAX-SUPPORTED SCREENING
MECHANISM FOR JOB APPLICANTS!

A place for
every qualified
applicant.

ACCESSIBILITY TO OUR EDUCATIONAL SYSTEM IS AN
EXTREMELY COMPLEX AND, ULTIMATELY, EXPENSIVE OBJECTIVE.
ONTARIO REMAINS COMMITTED TO PROVIDING A PLACE IN A
POST-SECONDARY EDUCATIONAL INSTITUTION FOR EVERY
QUALIFIED APPLICANT. THERE IS ROOM FOR DEBATE ABOUT
WHAT CONSTITUTES A QUALIFIED APPLICANT. NOT ALL
STUDENTS MAY BE ABLE TO ENROL IN THE PRECISE COURSE,
OR AT THE SPECIFIC CAMPUS THAT HE OR SHE WOULD LIKE.

Canada/Ontario
share costs.

THE COST OF MAINTAINING ACCESSIBILITY ON THIS
BROAD SCALE IS SHARED BY PROVINCIAL AND FEDERAL
GOVERNMENTS AND INCLUDES NOT ONLY THE OPERATING
EXPENSES OF THE PROVINCE'S EDUCATIONAL INSTITUTIONS
BUT ALSO THE STUDENT-ASSISTANCE PROGRAMS FOR STUDENTS
WHO DEMONSTRATE FINANCIAL NEED. THE TOTAL COST IN
ONTARIO IS GREATER THAN IN ANY OTHER PROVINCE. IN
ADDITION, ONTARIO IS A DONOR RATHER THAN A RECIPIENT
UNDER THE FEDERAL EQUALIZATION PAYMENTS. THIS MEANS
THAT ONTARIO TAXPAYERS CONTRIBUTE INDIRECTLY TO THE
SUPPORT OF POST-SECONDARY INSTITUTIONS IN OTHER
PROVINCES.

Ontario taxpayers
support post-
secondary education
in other provinces!

MORE....

IT'S EASY FOR US TO SAY, "THE COST TO THE ONTARIO TREASURY FOR SUCH-AND-SUCH A PROGRAM WILL BE THIS OR THAT NUMBER OF DOLLARS AND THE FEDS PICK UP THE REST." SURE THEY DO. RIGHT OUT OF THE WALLETS OF ONTARIO TAXPAYERS!

Ontario BIU was
highest in Canada.

AT THE BEGINNING OF THE 1970s, ONTARIO'S AVERAGE GRANT PER FULL-TIME STUDENT WAS THE HIGHEST IN CANADA. IN FACT, THE BASIC INCOME UNIT VALUE, A FUNDING DEVICE BASED ON ENROLMENT IN DIFFERENT COURSES, WAS \$1,650.

University BIU \$2,111.

College "BIU" about
\$2,170.

BY 1975-76, THE BASIC INCOME UNIT HAD INCREASED IN VALUE TO \$2,111 FOR THE UNIVERSITIES AND APPROXIMATELY \$2,170 FOR THE COLLEGES, IMPRESSIVE FIGURES BY THEMSELVES, PERHAPS, BUT STILL REPRESENTING AN INCREASE LESS THAN THE RATE OF INFLATION.

Now, Ontario ranks
9th in university
operating-grant
sweepstakes.

THIS YEAR, EVERY PROVINCE BUT NOVA SCOTIA EXCEEDS ONTARIO'S OPERATING GRANTS TO UNIVERSITIES PER FULL-TIME EQUIVALENT STUDENT. I MAKE NO APOLOGIES FOR THE DECLINE, BECAUSE OTHER FACTORS MUST BE CONSIDERED. FOR EXAMPLE, WE, IN ONTARIO, HAVE ONE OF THE BEST RATES OF ACCESSIBILITY. WE MUST NOW FIGHT TO MAINTAIN BOTH ACCESSIBILITY AND QUALITY.

Among the best
rates of access.

MORE....

Head-counts
inappropriate?

How to define
"college?"

I MUST NOTE THAT IN A "MATURING" SYSTEM, SUPPORT-PER-STUDENT MAY NOT BE THE ONLY OR APPROPRIATE MEASURE. THE COLLEGE SUPPORT FIGURES ARE IMPOSSIBLE TO COMPARE BECAUSE THERE ARE MANY DIFFERENT INTERPRETATIONS OF THE WORD "COLLEGE" BY THE DIFFERENT PROVINCES.

Government
spending can
fuel inflation.

What price quality
if economy weak?

THE GROWTH OF GOVERNMENT SPENDING, MY MINISTRY INCLUDED, HAS BEEN ONE OF THE CAUSES OF INFLATION. UNLESS WE TAKE FAST ACTION TO CONTAIN OUR SPENDING, INFLATION WILL PUSH THE PRICE OF MANY GOODS AND SERVICES BEYOND THE REACH OF MOST PEOPLE. INFLATION WILL GENERATE REPEATED DEMANDS FOR SUBSTANTIAL WAGE INCREASES. INFLATION WILL ERODE EVERYONE'S SAVINGS. INFLATION WILL RAISE THE COSTS OF BUSINESS AND INDUSTRY IN ONTARIO UNTIL WE ARE NO LONGER ABLE TO COMPETE IN THE MARKETPLACE HERE AND ABROAD. WHAT PRICE THE QUALITY OF POST-SECONDARY EDUCATION AFTER THE COLLAPSE OF OUR ECONOMY?

THE DEMAND FOR SERVICES INCLUDING POST-SECONDARY EDUCATION, WAS STRONG DURING THE 1960s AND 70s, AND THE FINANCIAL RESOURCES WERE AVAILABLE. THE ONTARIO GOVERNMENT MARSHALLED THOSE RESOURCES AND MET MANY OF THOSE DEMANDS.

MORE....

22 colleges

6 new universities.

FOR EVIDENCE WE HAVE ONLY TO VISIT THE MORE THAN 80 CAMPUSES OF THE 22 COLLEGES OF APPLIED ARTS AND TECHNOLOGY THAT WERE DEVELOPED DURING THIS PERIOD. DURING THIS TIME ALSO SOME HALF-DOZEN NEW UNIVERSITIES BROUGHT THE SYSTEM'S TOTAL TO 15.

Fiscal gap may reach 20%

Ontario's AAA credit rating worth preserving.

THE RESPONSIBLE THING TO DO NOW IS TO CURTAIL ANY NEW GROWTH IN SPENDING. THE FISCAL GAP, THAT CHASM BETWEEN PROVINCIAL EXPENDITURE AND REVENUE, HAD GROWN TO 10 PERCENT IN THE 1973-74 FISCAL YEAR. IN THIS FISCAL YEAR THE GAP COULD WIDEN TO 20 PERCENT! WHEN THE BOOKS ARE CLOSED AT THE END OF MARCH, IT IS LIKELY THAT WE WILL HAVE SPENT SOME \$2 BILLION, THAT'S \$2,000 MILLION, MORE THAN WE COLLECTED IN REVENUE. A PROGRESSION OF THIS TREND COULD AFFECT OUR TRIPLE-A CREDIT RATING, WHICH, IN TURN, AFFECTS, (AS YOU KNOW!) BOTH THE AMOUNT THAT THE PROVINCE CAN BORROW AND THE RATE OF INTEREST.

Pity the taxpayer!

BUT IF THE PROSPECTIVE PROVINCIAL FISCAL GAP IS DISTRESSING, WHAT MUST IT BE LIKE FOR THE AVERAGE TAXPAYER WHO MUST NOT ONLY RECONCILE HIS OWN SPENDING AND REVENUE BUT MUST ALSO EARN THE WHEREWITHAL TO SUSTAIN MUNICIPAL, PROVINCIAL AND FEDERAL GOVERNMENTS?

MORE....

53 MCU positions
axed by March, 1977.

"A challenge in
creative
administration."

Universities and
colleges have
leadership role.

Goal:
More salary,
more productivity.

ALL SECTORS THAT RECEIVE ONTARIO GOVERNMENT FUNDING AND, I MUST ADD, THE PROVINCIAL GOVERNMENT ITSELF, WILL BE ASKED TO EXERCISE RESTRAINT IN SPENDING. BY THIS TIME NEXT YEAR, THE STAFF OF MY MINISTRY WILL BE 53 POSITIONS UNDER LAST YEAR'S AUTHORIZED COMPLEMENT OF 630 PEOPLE. I HOPE THAT THE POST-SECONDARY EDUCATIONAL INSTITUTIONS UNDER THE PURVIEW OF MY MINISTRY WILL FOLLOW OUR EXAMPLE OR, AT THE VERY LEAST, CONSIDER A SUGGESTION THAT ONTARIO TREASURER DARCY McKEOUGH MADE RECENTLY TO ONTARIO CIVIL SERVANTS, THAT PLANNING DURING THE CURRENT PERIOD OF RESTRAINT BE ACCEPTED "AS A CHALLENGE IN CREATIVE ADMINISTRATION."

UNIVERSITIES AND COLLEGES ARE VERY MUCH IN THE PUBLIC EYE THESE DAYS. THEY HAVE, THEREFORE, A RESPONSIBILITY -- A LEADERSHIP ROLE, IF YOU LIKE -- TO SET AN EXAMPLE IN THE RESTRAINT OF SPENDING.

RECENTLY MY MINISTRY HAS FACED COMPLAINTS THAT ACADEMIC AND NON-ACADEMIC SALARIES IN COLLEGES AND UNIVERSITIES ARE NOT KEEPING PACE WITH INFLATION AND WAGES IN OTHER SECTORS. MORE AND MORE FREQUENT IS THE INCLUSION OF PROGRESS-THROUGH-THE-RANKS PHILOSOPHY IN SALARY BUDGETS WITHOUT ANY CLEAR LINK TO PRODUCTIVITY. THIS, UNFORTUNATELY IMPLIES NOT ONLY QUESTIONABLE

MORE....

LEADERSHIP BUT ALSO AN INSENSITIVITY TO CURRENT PUBLIC ATTITUDES.

Fair value for
tax dollars.

TAXPAYERS MUST BE SHOWN THAT THEY ARE GETTING FAIR VALUE FOR THEIR TAX DOLLARS.

How do you measure
productivity?

IN SAYING THIS, I RECOGNIZE THAT PRODUCTIVITY IS DIFFICULT TO MEASURE AND ISN'T A WORD THAT SITS COMFORTABLY IN ACADEMIC CIRCLES. AFTER ALL, WITH WHAT YARDSTICKS DO YOU MEASURE PRODUCTIVITY, ESPECIALLY IN EDUCATIONAL TERMS?

HOW DO YOU MEASURE "PRODUCTIVITY" WHEN THE END PRODUCT IS A STUDENT WHO HAS BEEN TAUGHT TO THINK LOGICALLY AND TO ENJOY KNOWLEDGE FOR ITS OWN SAKE? SOME WOULD SAY THAT THERE IS "PRODUCTIVITY" ONLY WHEN A STUDENT HAS LEARNED A MARKETABLE SKILL.

Is MCU efficient?

I WONDER TOO, IF I COULD EVER PROVE, FOR EXAMPLE THAT MY MINISTRY IS ANY MORE OR LESS EFFICIENT THAN A UNIVERSITY OR COLLEGE?

Don't give up
because efficiency
is difficult
to prove.

MAYBE WE'RE GETTING TOO WRAPPED UP IN THIS BUSINESS OF "PROVING" SPECIFIC DEGREES OF EFFICIENCY. BUT LET'S NOT ABANDON THE IDEA ENTIRELY MERELY BECAUSE OF THE IMPLIED DIFFICULTIES.

MORE....

THERE ARE BASIC QUESTIONS THAT MUST BE ADDRESSED, QUESTIONS RELATING TO THE RATIONALIZATION OF COURSE STRUCTURE SO AS TO REDUCE THE PROLIFERATION OF OVERLAPPING TUITION. MODULAR INSTRUCTION IS WORTH CONSIDERING, NOT ONLY FROM A COST STANDPOINT BUT ALSO TO INCREASE PORTABILITY OF SKILL. OPTIMUM CLASS SIZE AND USE OF FACILITIES CAN BE ACHIEVED THROUGH INTELLIGENT SCHEDULING. I'VE ONLY SCRATCHED THE SURFACE; I'M SURE THERE ARE MANY SIMILAR IDEAS.

Avoid overlapping courses. Aim for optimum use of facilities.

AS ALWAYS, THE ADMINISTRATORS' JOB TODAY, IS TO MOTIVATE THEMSELVES AND OTHERS. LAST YEAR'S WOMEN'S LIBERATION MOTTO WAS, "WHY NOT?" UNLESS WE START MOTIVATING PEOPLE QUICKLY DURING THIS FISCAL RESTRAINT, I HAVE THE SINKING FEELING MOST PEOPLE ARE GOING TO SAY, "WHY ME?" WHEN THEIR PET PROJECT IS CONSTRAINED.

Administrators should motivate selves and others.

"Why not?" could become "Why me?"

YOU KNOW, THERE WAS A TIME, WHEN IT WAS GENERALLY ACCEPTED THAT WAGES IN THE PUBLIC SECTOR WERE LOWER THAN THOSE IN THE PRIVATE SECTOR. THIS WAS GENERALLY ACCEPTED AS BEING FAIR BECAUSE JOB SECURITY IN THE PRIVATE SECTOR WAS ACCEPTED AS BEING CONSIDERABLY LESS THAN THAT OF THE PUBLIC SERVICE. BUT CONDITIONS HAVE CHANGED. SHOULD THE PUBLIC SERVICE SECTOR BE ON THE EQUITY BANDWAGON, WITHOUT THE DISCIPLINE OF THE MARKETPLACE?

Public-sector jobs used to be more secure.

Public service on equity bandwagon.

MORE....

Money no substitute
for efficient
management.

IN ORDER TO KEEP THEIR OPERATIONS GOING,
SOME PUBLIC SERVICE MANAGERS HAVE TURNED MORE
AND MORE TO GOVERNMENT WHOSE REVENUES, OR
DEFICITS, SEEMED LIMITLESS. THEY OUTLINED THE
BILLS TO BE PAID AND, PRESTO!, GOVERNMENT PAID.
THIS, TOO, IS CHANGING OR HAS CHANGED.

60% of our economy
pays the freight.

THE 80 PERCENT OF THE CANADIAN ECONOMY IN THE
PRIVATE SECTOR THAT USED TO SUPPORT THE 20 PERCENT
IN THE PUBLIC SECTOR HAS SHRUNK TO 60 PERCENT
SUPPORTING 40 PERCENT. THIS PROGRESSION CANNOT
CONTINUE.

Administrator
or Mathematician?

IS THE JOB OF A UNIVERSITY OR COLLEGE
ADMINISTRATOR REALLY JUST A MATTER OF FIGURING
OUT HOW MUCH THE SALARY BILL SHOULD GO UP TO
OFFSET INFLATION, RETAIN EQUITY WITH THE
PRIVATE SECTOR, AND COVER 'PROGRESS THROUGH RANKS'?
OR IS IT THE ADMINISTRATOR'S JOB TO ASCERTAIN WHETHER
THE VALUE BEING RECEIVED BY THE INSTITUTION AND THE
TAXPAYER MATCHES THE WAGE BILL?

Wage increase
should be
accompanied
by compensating
improvement.

EVERY TIME WAGES INCREASE IN THE PUBLIC SECTOR,
WHETHER AS PART OF A WAGE SCALE ADJUSTMENT, OR AS
PART OF CAREER PROGRESSION, WITHOUT SOME FORM OF
COMPENSATING IMPROVEMENT -- IN EFFICIENCY OR
EFFECTIVENESS, THEY ARE, IN FACT, ASKING THE
TAXPAYER TO COUGH UP MORE MONEY. IN SHORT, THEY ARE
CONTRIBUTING TO INFLATION.

MORE....

BAD POLICY DECISIONS BY MY MINISTRY MAY MAKE IT FAINTLY POSSIBLE FOR THE UNIVERSITY AND COLLEGE COMMUNITY TO ASSUME A PARASITIC ROLE. BAD DECISIONS BY COLLEGE AND UNIVERSITY ADMINISTRATORS, ON THE OTHER HAND, BRING THAT FAINT POSSIBILITY INTO SHARP FOCUS AS DISTINCT PROBABILITY. WE CAN AFFORD NEITHER, AND I BELIEVE NEITHER WILL OCCUR TO ANY SIGNIFICANT DEGREE.

Local decisions
most important.

STUDENTS, TOO, HAVE A GREAT RESPONSIBILITY TO THE PROVINCE'S POST-SECONDARY EDUCATIONAL SYSTEM. THEY, AFTER ALL, ARE WHAT THE COLLEGES AND UNIVERSITIES ARE ALL ABOUT! EFFICIENT STUDY IS EVEN MORE IMPORTANT THAN EFFICIENT INSTRUCTION!

Students have
responsibility,
too!

IN KEEPING WITH ONTARIO'S DETERMINATION TO MAINTAIN ACCESSIBILITY OF POST-SECONDARY EDUCATION, THE 1976-77 PROVINCIAL GRANT BUDGET FOR THE ONTARIO STUDENT ASSISTANCE PROGRAM HAS BEEN RAISED TO \$61 MILLION FROM \$49.55 MILLION. AT THIS SAME TIME, THE LIMIT ON FEDERAL LOANS WHICH PRECEDE THE AWARDING OF GRANT MONEY HAS BEEN RAISED TO \$1,000 PER STUDENT FROM \$800.

OSAP grant budget:
\$61 million.

I FEEL THAT IT IS QUITE APPROPRIATE THAT STUDENTS WHO ELECT TO USE THE POST-SECONDARY EDUCATIONAL SYSTEM SHOULD BEAR THEIR FAIR SHARE OF THE SYSTEM'S COSTS.

Student should
pay fair share.

MORE....

OSAP grant
recipients:
65,000

Increased enrolment,
eligibility, benefits,
inflation, all boost
OSAP bill.

THE NUMBER OF OSAP PARTICIPANTS HAS INCREASED TO APPROXIMATELY 100,000 STUDENTS IN 1975-76. THE \$61 MILLION COST TO THE PROVINCE IN 1976-77 FOR SOME 65,000 OSAP GRANTS WILL BE NEARLY THREE-AND-A-QUARTER TIMES THE \$19 MILLION COST FOR GRANTS IN 1967-68. THIS INCREASE REFLECTS MANY FACTORS, INCLUDING INCREASED ENROLMENT, INCREASED ELIGIBILITY, INCREASED BENEFITS, AND, OF COURSE, INFLATION OF ABOUT 60 PERCENT.

University fees
about 15% of
operating
revenue.

AS A PROPORTION OF UNIVERSITY OPERATING REVENUE, TUITION FEES SINCE 1966-67 HAVE DROPPED FROM 28 PERCENT DOWN TO 17.5 PERCENT IN 1973-74. SINCE THAT TIME THEY HAVE AGAIN DROPPED DOWN TO ABOUT 15 PERCENT OF OPERATING REVENUE. COLLEGE TUITION FEES REMAINED FROZEN AT \$150 PER YEAR UNTIL THE FALL OF 1972, WHEN THEY WERE RAISED TO \$250.

Higher fees,
more assistance.

A POINT WORTH NOTING IS THAT INCREASED FEES HAVE A DIRECT IMPACT ON THE LEVEL OF STUDENT ASSISTANCE REQUIRED. A SUBSTANTIAL PROPORTION OF ANY FEE INCREASE IS PAID BACK OUT AGAIN UNDER VARIOUS STUDENT ASSISTANCE SCHEMES, INCLUDING OSAP.

DURING MUCH OF THIS TALK, I HAVE SPOKEN ABOUT TWO BASIC ROUTES BY WHICH STUDENTS CAN

MORE.....

Three routes for
education.

ACQUIRE A GOOD POST-SECONDARY EDUCATION. IN FACT,
THERE ARE AT LEAST THREE SEPARATE AND DISTINCT
OPPORTUNITIES FOR EDUCATION.

University.
College.
School of Hard Knocks.

ONE IS WITHIN THE UNIVERSITY. ONE IS THROUGH
THE COMMUNITY COLLEGE, WHICH IS NOT, BY THE WAY,
AN AMERICAN-STYLE FEEDER INSTITUTION OR JUNIOR
COLLEGE BUT A DISTINCT ENTITY WITH ITS OWN REASON
FOR BEING. OUR THIRD EDUCATIONAL SYSTEM IS THE
TRAINING THAT PEOPLE RECEIVE IN BUSINESS AND
INDUSTRY.

MCU encourages
training-in-
industry.

CONVINCED OF THE NECESSITY OF DEVELOPING
TRAINING-IN-INDUSTRY PROGRAMS, MY MINISTRY
IS ENCOURAGING EMPLOYERS TO BECOME PARTNERS IN
THE PROVISION OF EMPLOYEE TRAINING. IN
PARTICULAR, WE ARE TRYING TO EXTEND TRAINING
OPPORTUNITIES TO CURRENTLY UNDERSERVICED AREAS.

You don't need
a degree to be
useful.

IT IS NOT ALWAYS NECESSARY FOR A PERSON
TO HAVE A DEGREE IN ORDER TO FULFILL A VERY
USEFUL ROLE IN SOCIETY! I CONTINUE TO STAND VERY
FIRM ON THAT POSITION, WHICH I HAVE TAKEN ON SEVERAL
OCCASIONS.

THERE ARE MANY OTHER RESOURCES TO ASSIST THOSE

MORE....

Remember the
libraries, museums,
galleries, etc.

PEOPLE WHO HAVE BEEN BLESSED WITH INQUIRING
MINDS, THERE ARE PUBLIC LIBRARIES, MUSEUMS,
ART GALLERIES, THE ONTARIO SCIENCE CENTRE, THEATRES,
WORKSHOPS . . . THE LIST OF SUCH INSTITUTIONS IN
BOTH THE PUBLIC AND PRIVATE SECTORS IS CERTAINLY
IMPRESSIVE. NEVER LET IT BE SAID THAT ONTARIO'S
PROVINCIALY ASSISTED EDUCATIONAL INSTITUTIONS HAVE
A MONOPOLY ON KNOWLEDGE, OR THAT PEOPLE WITH DEGREES
AND DIPLOMAS HAVE A MONOPOLY ON WISDOM!

Institutions have
no monopoly on
knowledge.

SPENDING ALONE DOES NOT CAUSE INFLATION. IN
FACT, THE ARTIFICIAL CESSATION OF SPENDING CAN CAUSE
SEVERE ECONOMIC SLUMPS, AS WE HAVE SEEN IN THE PAST.
IT SEEMS TO ME, AND MY FORMAL TRAINING IS IN DENTISTRY,
NOT ECONOMICS, THAT UNFETTERED INDEXING OF WAGES,
PENSIONS, AND PRICING OF GOODS AND SERVICES MAKES
THE INFLATIONARY SPIRAL MORE AND MORE VICIOUS UNTIL
THE MONEY PRESSES JUST WON'T ROLL ANY FASTER. THAT'S
A SIMPLISTIC VIEW, BUT YOU GET THE MESSAGE. DURING
THIS BOUT OF FISCAL RESTRAINT, WE'RE ALL GOING TO
HAVE TO HURT A LITTLE SO THAT WE ALL DON'T HURT A
LOT IN A FEW MONTHS' TIME.

Indexing
dangerous.

We've all got
to hurt a little.

WE'LL HAVE TO LEARN TO SEPARATE OUR NEEDS
FROM OUR WANTS IF OUR FINANCIAL SYSTEM IS GOING
TO SURVIVE. THE TROUBLE IS THAT FOR TOO LONG NOW,

Separate needs
from wants.

MORE....

MANY OF OUR WANTS HAVE BEEN VIEWED AS NEEDS. MAYBE WE'LL EVEN HAVE TO ERASE OUR SHOPPING LIST COMPLETELY AND START OVER AGAIN. WE'D SOON SEE, HOWEVER, THAT EDUCATION WAS REQUIRED FOR THE ACQUISITION OF BASICS LIKE FOOD, SHELTER, AND HEALTH CARE.

Education necessary to acquire basics like food, etc.

BUT EDUCATION HAS OTHER USES, AND VERY NECESSARY ONES, INDEED.

LET'S FACE IT, WITH THE EXPLOSION OF TECHNOLOGY, BROUGHT ABOUT TO A LARGE DEGREE BY EDUCATION, WORK MAY SOON BE A PRIVILEGE. PERHAPS OUR INCREASING EFFORTS TO ASSIST PEOPLE IN THE INTELLIGENT USE OF LEISURE MAY NOT BE SO MISGUIDED AFTER ALL.

Intelligent use of leisure.

NOW, LET'S CLOSE ON A CHEERFUL NOTE. I'LL PARAPHRASE FOR YOU, IF I MAY, SOME RECENT ASSURANCES BY PREMIER DAVIS ON THE SUBJECT OF ONTARIO'S FIGHT AGAINST INFLATION.

Assurances by Bill Davis.

"I CAN ASSURE YOU THAT MY GOVERNMENT WILL NOT TRY TO SPEND ONTARIO'S WAY TO SOME ARTIFICIAL LEVEL OF PROSPERITY THAT WILL HAUNT FUTURE TAXPAYERS. GOVERNMENT," SAYS MR. DAVIS, "HAS TO HOLD THE LINE AND SET AN EXAMPLE IF CONFIDENCE IS TO BE RESTORED."

Won't spend way to artificial prosperity.

Restore confidence.

MORE....

"IN ONTARIO," HE SAYS, "WE'VE PUT THE LID ON THE GROWTH COMPLEMENT OF OUR PUBLIC SERVICE AND FROZEN THE SALARIES OF OUR TOP-ECHELON CIVIL SERVANTS. IN THE NEXT FISCAL YEAR, GROWTH IN PROVINCIAL SPENDING IS TO BE RESTRICTED TO 10 PERCENT. THIS MEANS THAT OUR INCREASE IN SPENDING IS GOING TO BE LESS THAN OUR INCREASE REVENUE. WE'RE TAKING A HARD LOOK AT OUR PRIORITIES IN ORDER TO PRESERVE WHAT WE HAVE -- AND, LET'S FACE IT, WHAT WE'VE GOT IS WORTH PRESERVING -- AND TO SPRING OURSELVES LOOSE AS BEST WE CAN FROM THE WEB OF INFLATION THAT NOW ENMESHERS MOST OF THE INDUSTRIALIZED WORLD."

ALL I CAN ADD TO THAT, LADIES AND GENTLEMEN, IS, "AMEN!"

THANK YOU FOR LISTENING. I SINCERELY SOLICIT YOUR HELP TO DO THE JOB THAT LIES AHEAD, THE FIGHT TO CONTROL INFLATION IN THIS YEAR OF 1976, A FIGHT THAT WE MUST NOT --- WILL NOT --- LOSE.

Lid on public service.

Re-examine priorities.

Thank you.